



**BRIAN E. FROSH, MARYLAND ATTORNEY GENERAL**

# **PRESS RELEASE**

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## **Attorney General Frosh Announces Arbitrators Rule in Favor of Maryland in Dispute with Tobacco Manufacturers**

**BALTIMORE, MD (September 1, 2021)** – Attorney General Brian E. Frosh announced today that a panel of three arbitrators found in favor of Maryland and against a group of cigarette manufacturers in a dispute arising from the manufacturers’ withholding of over \$16 million in settlement proceeds from the 1998 Master Settlement Agreement (MSA). The MSA is an agreement reached between the state attorneys general of most states and territories, and the four largest cigarette manufacturers in America, concerning the advertising, marketing, and promotion of cigarettes. The MSA requires the tobacco industry to pay the states billions of dollars each year in perpetuity and imposes restrictions on the sale and marketing of cigarettes.

The arbitration concerned the cigarette manufacturers’ claim that in 2004 Maryland failed to diligently enforce a statute against companies that do not participate in the Master Settlement Agreement. The arbitrators’ award in favor of Maryland will enable the taxpayers to receive the full benefit of the settlement for 2004.

“The arbitrators made the right decision in ruling against these cigarette manufacturers,” said Attorney General Frosh. “Marylanders will continue to benefit from this settlement, which is designed to combat decades of fraud by denying the addictiveness of cigarettes and negative health consequences of using tobacco products.”

The Attorney General would like to thank David Lapp, John Leovy, Kirstin Lustila, Aravind Muthukrishnan, and Robert Scott for their work on this matter.

<https://www.marylandattorneygeneral.gov/press/2021/090121a.pdf>